

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

J. PEDRO REINHARD,

Plaintiff,

- against -

THE DOW CHEMICAL COMPANY and
ANDREW N. LIVERIS,

Defendants.

[illegible]

07 CV 3641 (RPP)

Declaration of Gary P. Naftalis

I, Gary P. Naftalis, pursuant to 28 U.S.C. § 1746, declare as follows:

1. I am a member of the firm of Kramer Levin Naftalis & Frankel LLP, counsel for Plaintiff J. Pedro Reinhard in this action. I submit this declaration in support of Mr. Reinhard's opposition to The Dow Chemical Company's motion to transfer this action to the United States District Court for the Eastern District of Michigan, and Andrew N. Liveris' motion to transfer or dismiss this action for lack of venue.

2. During the approximately three weeks following Dow's termination of Mr. Reinhard on April 12, 2007, Dow and we engaged in settlement conversations. We participated in these conversations with the hope that a settlement could be reached that would allow Mr. Reinhard to vindicate his substantial economic and reputational rights without the need for us to commence litigation.

3. By early May, no such resolution seemed likely. We then completed drafting Mr. Reinhard's complaint and were prepared to commence litigation. Dow was aware that we were prepared to file suit on Mr. Reinhard's behalf if the matter were not settled. On May 7, we received a settlement proposal from Dow. It was agreed that Dow, counsel for

Romeo Kreinberg, who had also received a settlement proposal from Dow on May 7, and I would speak at 11 a.m. on May 8 concerning these proposals.

4. Shortly before the scheduled call, however, we were advised by Dow that the call would not take place. Thereafter, Mr. Reinhard immediately filed his suit in New York on the morning of May 8. We later learned that Dow had filed a lawsuit earlier that morning in Michigan against both Messrs. Reinhard and Kreinberg.

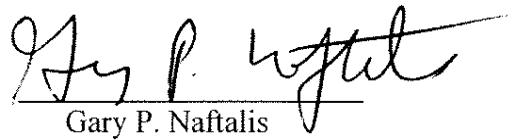
5. For the Court's convenience, I attach as exhibits to this declaration true and correct copies of the following documents referenced in Mr. Reinhard's memorandum:

<u>Exhibit</u>	<u>Description</u>
A	Complaint of J. Pedro Reinhard in <i>Reinhard v. The Dow Chemical Company and Andrew N. Liveris</i> , No. 07 CV 3641 (RPP) (S.D.N.Y.)
B	Amended Complaint of The Dow Chemical Company in <i>The Dow Chemical Company v. Reinhard and Kreinberg</i> , No. 07-12012 (TLL) (E.D. Mich.)
C	Answer and Counterclaims of The Dow Chemical Company in <i>Reinhard v. The Dow Chemical Company and Andrew N. Liveris</i> , No. 07 CV 3641 (RPP) (S.D.N.Y.)
D	Complaint of Romeo Kreinberg in <i>Kreinberg v. The Dow Chemical Company and Andrew N. Liveris</i> , No. 07 CV 4557 (VM) (S.D.N.Y.) (initially filed in N.Y. Supreme Court; subsequently removed).
E	Jeffrey Ball, Dennis K. Berman, and Joann S. Lublin, "Officials Fired at Dow Chemical for Secret Talks," <i>The Wall Street Journal</i> , A1, April 13, 2007; Francesco Guerrera, "Dow chief defends dismissal action," <i>Financial Times</i> , April 18, 2007; Jack Kaskey, "Dow Case on Ex-Executives is Watertight, Liveris Says," <i>Bloomberg.com</i> , April 18, 2007.

<u>Exhibit</u>	<u>Description</u>
F	Lexis Courtlink search for recent New York actions in which Dow has been a litigant.
G	Excerpt from 2007 Dow Proxy Statement, containing director bios. At least four Dow directors serve on the boards of companies or organizations located in New York: Liveris (Citigroup, American Australian Association); Franklin (Economic Club of New York); Hess (Hess Corporation); and Stern (Council on Foreign Relations). Mr. Stern is also Chairman of Claris Capital, which is based in Washington, D.C. Ms. Franklin is CEO and President of Barbara Franklin Enterprises, headquartered in Washington, D.C.
H	Complaint of J. Pedro Reinhard in <i>Reinhard and Kreinberg v. The Dow Chemical Company</i> , C.A. No. 3003-CC (Del. Ch.)
I	Tony Lascari, "Dow: latest in lawsuits a non-issue," <i>Midland Daily News</i> , June 11, 2007.
J	Form S-8 filed 5/16/88, containing The Dow Chemical Company 1988 Award and Option Plan.
K	Order denying Request to Enlarge Time, <i>The Dow Chemical Company v. Reinhard and Kreinberg</i> , No. 07-12012 (TLL) (E.D. Mich.)
L	Answer of J. Pedro Reinhard in <i>The Dow Chemical Company v. Reinhard and Kreinberg</i> , No. 07-12012 (TLL) (E.D. Mich.)
M	Notice of Removal of State Court Civil Action, <i>Kreinberg v. The Dow Chemical Company and Andrew N. Liveris</i> , No. 07 CV 4557 (VM) (S.D.N.Y.)

I declare under penalty of perjury under the laws of the United States of America
that the foregoing is true and correct.

Executed: New York, New York
July 5, 2007



Gary P. Naftalis